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From: "Kathi Sherburne" <kathi@lvcm.com>
To: <secretary@fmc.gov>
Date: Wed, Apr 23, 2003 2:22 PM
Subject: Proposed Docket FMC 46 CFR Part 540 (Docket No. 02-I 5) Passenger Vessel Financial Responsibility

I have comments to offer toward this proposal based upon personal experience. I apologize for the lengthiness but feel it necessary to adequately convey my experience.

I was a travel agent for my brother who booked a group cruise (25 passengers) which cancelled due to 9-11. Royal Caribbean offered letters of credit toward a future re-booking. When the client attempted to rebook, the cruiselines cancelled because the client would not pay \$200 more as a deposit when he was already paid in full in the amount of \$12,553. In essence, Royal would not honor their own letters of credit!

The client requested a refund a month later but was ignored by Royal Caribbean for almost a year. Now the cruiseline is offering more letters of credit and extending them for another year with impossible stipulations. (Why not just say, "we're a cruiseline and we're stealing your money in spite of our incompetence!") Royal actually put in writing that they were justified to cancel the client's paid rebooking because he didn't cough up \$200 more which they would have refunded later when they suddenly realized he was already paid in full. (Note: Royal has no refund policy!!) Now Royal says, the payment in full should have covered the \$200 deposit and the rebooking should have been made without letters of credit in hand.

I've never experienced such an attitude with any other type of company! If Royal had not cancelled the cruise would have been taken and there would not be an issue of a refund.

Royal is covering up and talking out both sides of its mouth. Royal is making up policies as it goes along to suit them. Royal is trying to justify stealing this money. I have a 22 page diary of events to date, 2 smokescreen letters from Royal, and copies of all the correspondence generated to date. In addition to the \$12,553 cruise cost my client lost, I've lost approximately \$1,700 in commission through no fault of mine and come out of pocket probably another \$1000 for costs in certified mailings, long-distance calls, faxes, etc. etc. since November 2001.

The FMC Investigator, Allen Jackson, has been working with us on this issue and agrees Royal is keeping money for services it never delivered through their error. However, it is clear that FMC has no real authority over cruiselines to easily resolve issues such as this and the cruiselines know it and believe themselves to be above the law. (Since, I've been actively pursuing the refund issue for almost 2 years, I have to agree, cruiselines are above the law and an entity to themselves!)

The cruiselines should accept responsibility for their actions and do the right thing. I'm sure if research is conducted it would become increasingly clear that many cruiselines are retaining money (RIPPING OFF AMERICANS) that rightfully should have been refunded and most clients are not as diligent as me in pursuing their refunds.

I have pursued this through the following avenues with little to no success:

1. Senate Committee on Transportation, Consumer Affairs & Commerce;
2. Nevada Senator Harry Reid;
3. Nevada State Attorney General;
4. Nevada and Florida State Consumer Affairs;
5. Various television consumer news programs (i.e. 60 Minutes, 20/20, etc.);
6. Local consumer news programs (Contact 13);
7. Florida State Better Business Bureau;
8. David Horowitz (on-line);
9. Federal Maritime Commission (Allen Jackson);

10. Consumer Affairs Complaint (on-line);
11. Conde Nast Traveler Ombudsman Complaint;
12. Pre-Paid Legal;
13. American Express;
14. Consultation with an attorney

A U.S. Government agency (FMC???) must oversee and have authority over these rogue companies. Cruiselines believe they are untouchable and apparently it is true. Give the FMC authority to deal with cut and dried issues such as mine and give the FMC enforcement abilities rather than rhetoric which the cruiselines do not take seriously nor do they respect it! Give FMC the authority to fine the cruiselines for stealing money from their passengers due to their incompetence and give the FMC authority to make cruiselines refund when warranted and include costs, interest, fines to go the injured party as a result of the cruiselines covering up, evading and ignoring simple refund issues.

Where do we go from here??? Retain an attorney (at a cost of \$2500-8000) with no guarantee of winning due to RCCL's attitude and unlimited attorney access? If so, please tell me what type of attorney, must we file in federal court, is the issue "breach of contract", and do we have to file in Florida when the cruiseline is the one that breached this contract? If anyone knows, please call me (702)567-3404. The statute of limitations is running out and that's what Royal has been waiting for!

Sincerely,

Kathi Sherburne
(with and for Joe Childers, client)